

**Commonwealth of Massachusetts  
Executive Office of Energy and Environmental Affairs  
DIVISION OF ENERGY RESOURCES**

**Summary of the  
Proposed Final Regulations for the Massachusetts  
RENEWABLE ENERGY PORTFOLIO STANDARD  
at 225 CMR 14.00**

**August 16, 2007**

During the first five years of administering and operating under the RPS (2002-2007), DOER, retail electricity suppliers, and renewable energy industry participants identified provisions of the Regulations that required clarification or modification in order to accomplish the intent of the enabling statute more effectively and efficiently. That led to a public review process and ultimately the submission of proposed final RPS Regulations to the Legislature. An initial proposed amended regulation was provided in November 2006, a second was provided in June 2007.

DOER proposes the following substantive modifications at this time:

- Revise the standards for “advanced biomass power conversion technologies by eliminating the categorical exclusion of stoker combustion and pile burn technologies (225 CMR 14.05 (1) (a) 6. This will allow advanced stoker technology to be eligible.
- Streamline the standards for “low-emissions” in the case of biomass power plants by decoupling them from the more complex BACT standards of the MassDEP (225 CMR 14.05 (1) (a) 6) – except for plants that co-fire Eligible Biomass Fuels with ineligible fuels (14.05 (3) (c)) – and provide for numerical standards in concurrently issued *Guidelines*, which were developed in consultation with the MassDEP.
- Toughen the standards for qualifying biomass power plants under the Vintage Waiver by requiring that they meet the same emission standards as new biomass plants (225 CMR 14.05 (1) (a) 6. c).
- Clarify how retail electricity suppliers must ascertain and document their annual compliance with RPS (225 CMR 14.09 (2) (a) & (b)).

Two significant provisions have been left unchanged from the current regulation:

- The provision on importation of power from outside of the ISO-NE region (225 CMR 14.05 (5)) remains unchanged except for the up-dating of terms used by the NEPOOL GIS in characterizing such imports.
- The definition of Eligible Biomass Fuel (225 CMR 14.02) remains unchanged, and no reference is made to construction and demolition (“C&D”) wood.

In addition to those substantive revisions, the following “housekeeping” changes are proposed in this version:

- Added and defined (at 225 CMR 14.02) the terms Alternative Compliance Payments and Alternative Compliance Credits, which are used at 14.08 (3) and 14.09 (2) (e).
- Added and defined (at 225 CMR 14.02) the term Certificates Obligation for use at 14.09 (2) (a) & (b) (see fourth bullet on page one, above).
- Updated the External Unit Contract definition by providing for equivalent terms as used in the NEPOOL or successor market rules (225 CMR 14.02 and used in the Import provisions at 14.05 (5)).
- Provided more precise definitions of ISO-NE (ISO New England) and NE-GIS (a.k.a., NEPOOL GIS), replaced the term ISO-NE Market Settlement System with the now current term ISO-NE Settlement Market System, and replaced the term NE-GIS Certificate with the term GIS Certificate (225 CMR 14.02 and used throughout).
- Updated the definition of Retail Electricity Supplier by replacing “standard offer” and “default” with “basic” service (225 CMR 14.02).
- Clarified the term Small Generation Unit (225 CMR 14.02).
- Improved the application review procedure for Statements of Qualification for New Renewable Generation Units to reflect actual practice (225 CMR 14.06 (2)).
- Added emissions to the list of changes at a power plant that must be reported to DOER (225 CMR 14.06 (3)).
- Deleted the option of requesting an Advisory Ruling on a potential or planned project (deleted 225 CMR 14.06 (5)), although DOER expects to work productively with project developers in lieu of this option. (Most biomass developers had come to perceive and expect Advisory Rulings as a routine extra step in the project qualification process, but DOER regards that step as unnecessary and burdensome.)
- Deleted the now obsolete provisions for Early Compliance for retail electricity suppliers (former 225 CMR 14.08 (2) and former 14.09 (1) (d), with sub-section numbers adjusted accordingly, and at former 14.09 (2)).
- Corrected the eligibility criteria for “banked” attributes to be consistent with other attribute eligibility provisions. (225 CMR 14.08 (2) (c)).
- Added a Severability clause (new 225 CMR 14.13).

Additional, very minor changes are made for consistency with the above or to improve clarity or formatting.